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## REMARKS

Applicants have amended the claims to more particularly define the invention taking into consideration the outstanding Official Action. Claims 1-5 have been canceled. Claims 6-10 have been amended to remove all alpha-numeric characters. Claim 6 has also been amended to remove the phrases "such as" and "and the like." Additionally, Claims 6-10 have been amended to correct minor typographical and grammatical errors. Finally, new dependent claims 12 and 13 has been added to recite that the rare earth magnet is a neodymium iron boron magnet or a samarium cobalt magnet. Support for these amendments can be found in, e.g., original claim 6. Applicants most respectfully submit that all the claims now present in the application are in full compliance with 35 U.S.C. §112 and are clearly patentable over the references of record. The claims remaining in the application are claims 1-14.

The rejection of claims 1 and 4 under 35 U.S.C. §102(b) as being anticipated by Yellen and the rejection of claims 2, 3 and 5 under 35 U.S.C. §103(a) as being unpatentable over Yellen in view of Ishikawa and Hoffman are moot in light of the cancellation of claims 1-5.

Therefore, the only remaining rejection currently at issue is the rejection of claims 6-10 under 35 U.S.C. §103(a) over Yellen in view of Ishikawa and Hoffman. This rejection has been carefully considered but is most respectfully traversed.

Applicants wish to direct the Examiner's attention to the basic requirements of a prima facie case of obviousness as set forth in the MPEP § 2143. This section states that to establish a prima facie case of obviousness, three basic criteria first must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine the reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations.

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The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

Section 2143.03 states that all claim limitations must be taught or suggested by the prior art. In re Royka, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). "All words in a claim must be considered in judging the patentability of that claim against the prior art." In re Wilson, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970). If an independent claim is nonobvious under 35 U.S.C. 103, then any claim depending therefrom is nonobvious. In re Fine, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

The Official Action urges that Figure 1 and the Summary of the Invention found in Yellen disclose the invention as claimed in claims 1 and 4. The Official further urges that Yellen suggests magnets may be coated, and cites col. 1, lines 49-50 of Yellen in support of this statement. The cited portion of Yellen reads: "The bodies are composed of magnetic material exclusive of decorative and protective coatings" (emphasis added). Applicants assert that this portion of Yellen does not suggest or disclose coated magnets as claimed in the present invention, but rather discloses the exclusion of coatings. Therefore, Yellen teaches away from a step wherein a plated layer is formed on a surface of the permanent magnet unit and a transparent siliceous layer is formed over the plated layer, as claimed in claim 10 of the present invention. The teachings of Hoffman (i.e., protective coatings applied to plated layers of jewelry) cannot be combined with the disclosure of Yellen because Yellen teaches away from such a combination in disclosing the exclusion of decorative and protective coatings on the magnetic material. Accordingly, the Official Action has failed to make out a prima facie case of obviousness as outlined in MPEP §2143 with respect to claim 10, and Applicants therefore respectfully request that this rejection be withdrawn.

The Official Action also urges that the forming of plated layer and other protective layers are old in the jewelry art and have been utilized for aesthetic reasons. This statement is seemingly in support of the conclusion that it would have been obvious to form a transparent siliceous material over a plated layer formed on a magnet unit

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despite there being no teaching of that precise step in the references of record. The Official Action further urges that substitution of equivalent coatings requires no express motivation as long as the prior art recognizes the equivalency. However, the Official Action fails to follow up on this statement with a disclosure of where in the prior art such a recognition of equivalency is found. Absent such a disclosure of equivalency, the Official Action has failed to make out a prima facie case of obviousness as outlined in MPEP §2143. Applicants therefore respectfully request that this rejection be withdrawn.

With respect to claim 6, the Official Action next turns to where in the references of record the limitation that each of a plurality of unit permanent magnets is a rare earth magnet is disclosed. The Official Action acknowledges that such a teaching cannot be found in Yellen, but that Ishikawa teaches the use of rare earth magents in jewelry to promote heath. However, the Official Action fails to address additional limitations found in claim 6, including that each of a plurality of unit permanent magnets is a uniaxial anisotropic magnet in which an N pole or an S pole is formed on one part of the side surface orthogonal to an easily magnetizing direction.

An anisotropic magnet is a magnet having a preferred direction of magnetic orientation, so that the magnetic characteristics are optimum in one preferred direction. To the contrary, an isotropic magnet is a magnet whose magnetic properties are the same in any direction, and which can therefore be magnetized in any direction without loss of magnetic characteristics. As explained in the specification of the application, it is important that each permanent magnet unit of the present invention is an uniaxial anisotropic magnet because this arrangement causes the magnetic flux to form a closed magnetic path and prevents magnetic force lines from being applied directly to the body part around which the magnet ring is being worn. Figure 24 of the specification illustrates this concept. Only a limited amount of leakage flux (L) is applied to the wrist, while the strong magnetic force effect is contained within magnetic path (K). This arrangement avoids unexpected side effects to the human body caused by excessive magnetic force.

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Yellen is silent as to the magnetic alignment of the magnet components and therefore fails to disclose uniaxial anisotropic magnet units as claimed in the present invention. Therefore, Yellen fails to teach or suggest every element of the present invention as required by MPEP §2143.

Ishikawa discloses a rare earth magnet that is magnetized in the direction perpendicular to the axis A of the cylinder (see, e.g., col. 1, lines 62 through col. 2, lines 3 and Figure 1A). However, Ishikawa fails to disclose a further element of claim 6, wherein unit permanent magnets are magnetically attracted to each other in a line contact aspect or a point contact aspect on the curved side surface on which the magnetic poles are formed, so as to be formed in a ring shape having a predetermined size. Rather, as can be see in Figures 1-5 and as described in col. 1, line 63 through col. 2, line 57, the arrangement of the rare earth magnets in the necklace disclosed in Ishikawa is such that the axial direction of the cylindrical magnets (1) that are placed in cylindrical cases (2) is arranged in a direction along the ring being formed. Because the N pole and S pole of the cylindrical magnet are perpendicular to the axial direction (and therefore perpendicular to the direction along the ring being formed), the N and S pole do not serve to attract each other in a line contact aspect or a point contact aspect on the curved side surface on which the magnetic poles are formed so as to be formed in a ring shape having a predetermined size, as claimed in the present invention. In fact, as can most clearly be seen in Figures 1B and 2 of Ishikawa, the rare earth magnets of the necklace do not attract each other at all, but rather emit magnetic forces which are used for promoting good health. Because of the orientation of the magnets, i.e., N and S poles perpendicular to the axial direction of the cylindrical magnets and the direction along the ring being formed, Ishikawa fails to disclose unit permanent magnets attracting each other in a line contact aspect or a point contact aspect on the curved side surface on which the magnetic poles are formed so as to be formed in a ring shape having a predetermined size, as claimed in the present invention. Ishikawa fails to disclose every element of the claimed invention as required by MPEP §2143.

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The Official Action has failed to identify how the references of record can be combined to overcome the deficiencies of each reference standing alone, and Applicants assert that no such combination or motivation to combine exists in the references. Therefore, Applicants respectfully request that the rejection of claims 6-10 under 35 U.S.C. §103(a) be withdrawn.

In view of the above comments and further amendments to the claims, favorable reconsideration and allowance of all of the claims now present in the application are most respectfully requested.

Respectfully submitted,

BACON & THOMAS, PLLC

Richard E. Fichter

Registration No. 26,382

625 Slaters Lane, 4<sup>th</sup> Fl. Alexandria, Virginia 22314 Phone: (703) 683-0500 Facsimile: (703) 683-1080

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